

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814
(916) 445-7046



October 4, 1984

ALL-COUNTY LETTER NO. 84-102

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IN-HOME SUPPORTIVE SERVICES (IHSS) INDIVIDUAL PROVIDERS
BENEFITS AND SERVICES

The purpose of this letter is to announce the implementation of two new services for IHSS individual providers: an Employee Benefits and Services Notice (PUB 104) and Voluntary Income Tax Withholding.

During the month of October, Electronic Data Systems (EDS) Corporation, the Department's IHSS payrolling contractor, will mail an Employee Benefits and Services Notice to all active IHSS individual providers that briefly describes the benefits and services available to them because of their employment. These benefits and services include Social Security, State Disability Insurance, Unemployment Insurance, Worker's Compensation and Income Tax Withholding. Attached to the Employee Benefits and Services Notice will be an Income Tax Withholding form (W-4) to be completed by the individual provider and mailed to the County Welfare Department if income tax withholding is desired. All completed W-4's received should then be sent to EDS for input. Income tax withholding is strictly voluntary and will become operational January 1, 1985.

Beginning November 1, 1984, as new individual providers are hired, your staff is required to provide them an Employee Benefits and Services Notice and a W-4 form. These two documents are available free of charge from the Department's warehouse and may be ordered on form GEN 727B. For your convenience, camera ready copies of the Employee Benefits and Services Notice and W-4 are attached. Please ensure that your staff are familiar with the employee benefits and services available to IHSS individual providers.

Should you have questions about these two new services, please contact your IHSS Systems Management Consultant at (916) 445-7046 or ATSS 485-7046.

Robert T. Sertich

ROBERT T. SERTICH
Deputy Director
Administration

Attachments

CC: CWDA

WELCOME

to your job as an

In-Home

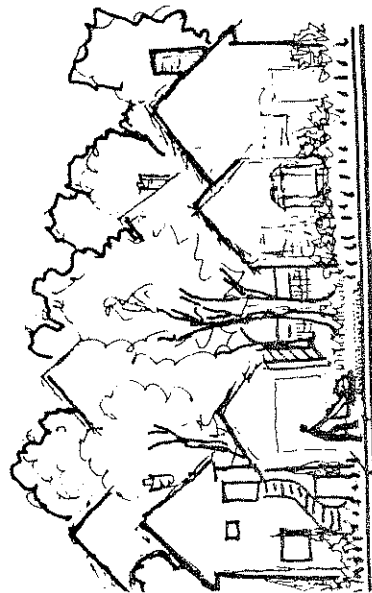
Supportive

Services

(IHSS)

Individual Provider

This notice briefly describes the benefits and services available to you because of your employment. Please remember that you are employed by the IHSS recipient that hired you. The State of California issues this pamphlet and your paycheck on behalf of your employer.



My County Service Worker is:

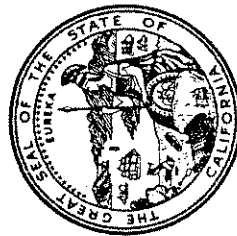
Name _____

Address _____

Phone: _____

County of: _____

For information about IHSS
call the local county welfare
department



STATE OF CALIFORNIA

George Deukmejian, Governor

HEALTH AND WELFARE AGENCY

David B. Swoap, Secretary

DEPARTMENT OF SOCIAL SERVICES

Linda S. McMahon, Director

PUB 104 (9/84)

IN-HOME SUPPORTIVE SERVICES INDIVIDUAL PROVIDER BENEFITS AND SERVICES INFORMATION

STATE OF CALIFORNIA



DEPARTMENT OF SOCIAL SERVICES

EMPLOYEE BENEFITS AND SERVICES

SOCIAL SECURITY

Social Security benefits are available to you if you become totally disabled or retire and meet certain eligibility requirements. There is a deduction from your paycheck for Social Security (FICA). Social Security benefits include monthly retirement payments and, in case of your disability or death, may include payments to you or your dependents. You should contact your local Social Security Administration office for information and/or to apply for Social Security. The phone number and address of this office are listed in the white pages of your telephone book under "United States Government, Health and Human Services Department."

STATE DISABILITY INSURANCE (SDI)

State Disability Insurance benefits are available to you if you become disabled and are prevented from doing your regular work and you meet certain eligibility requirements. There is a deduction from your paycheck for SDI. State Disability Insurance benefits are available for a maximum of 52 weeks. You should contact your local California Employment Development Department (EDD) office for information and/or to apply for State Disability Insurance. The phone number and address of this office are listed in the white pages of your telephone

book under "California, State of, Employment Development Department."

UNEMPLOYMENT INSURANCE (UI)

Unemployment Insurance benefits are available to you if you are unemployed, able and available to work, and you meet certain eligibility requirements. There is no deduction from your paycheck for UI. Unemployment Insurance benefits are available for a maximum of 26 weeks. You should contact your local California Employment Development Department office for information and/or to apply for Unemployment Insurance. The phone number and address of this office are listed in the white pages of your telephone book under "California, State of, Employment Development Department."

WORKER'S COMPENSATION

Worker's Compensation benefits are available to you if you are injured while working and you meet certain eligibility requirements. There is no deduction from your paycheck for Worker's Compensation. If you are injured on the job, you should get medical attention immediately and then notify your employer/recipient. Claim forms to apply for Worker's Compensation are available from your employer's/recipient's county services worker and should be sent to your county welfare department. You should contact your local State Compensation

Insurance Fund office for information about Worker's Compensation. The phone number and address of this office are listed in the white pages of your telephone book under "California, State of, Compensation Insurance Fund."

INCOME TAX WITHHOLDING

You may have state and federal income tax withheld from your paycheck if you apply and you meet certain eligibility requirements. Income tax withholding for individual providers is **strictly voluntary** and begins January 1, 1985. If you wish to have state and federal income tax withheld from your paycheck please complete the attached Income Tax Withholding Form (W-4) and mail it to your county welfare department. You should contact your employer's/recipient's county service worker if you require additional W-4s, need to change your withholding, or need to determine the status of your withholding. You should contact your local California Franchise Tax Board (FTB) office for information about state income tax withholding. The phone number and address of this office are listed in the white pages of your telephone book under "California, State of, Franchise Tax Board." You should contact your local Internal Revenue Service (IRS) office for information about federal income tax withholding. The phone number and address of this office are listed in the white pages of your telephone book under "United States Government, Internal Revenue Service."

Employee's Withholding Allowance Certificate

OMB No. 1545-0010

1 Type or print your full name		2 Your social security number	
Home address (number and street or rural route)		3 Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate Note: If married, but legally separated, or spouse is a nonresident alien, check the Single box.	
City or town, State, and ZIP code			
4 Total number of allowances you are claiming (from line F of the worksheet on page 2)			
5 Additional amount, if any, you want deducted from each pay		\$	
6 I claim exemption from withholding because (see instructions and check boxes below that apply):			
a <input type="checkbox"/> Last year I did not owe any Federal income tax and had a right to a full refund of ALL income tax withheld, AND		Year	
b <input type="checkbox"/> This year I do not expect to owe any Federal income tax and expect to have a right to a full refund of ALL income tax withheld. If both a and b apply, enter the year effective and "EXEMPT" here			
c If you entered "EXEMPT" on line 6b, are you a full-time student?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or if claiming exemption from withholding, that I am entitled to claim the exempt status.			
Employee's signature		Date, 19	
7 Employer's name and address (Employer: Complete 7, 8, and 9 only if sending to IRS)		8 Office code	9 Employer identification number

----- Detach along this line. Give the top part of this form to employer; keep the lower part for your records. -----

Privacy Act and Paperwork Reduction Act Notice.—If you do not give your employer a certificate, you will be treated as a single person with no withholding allowances as required by law. We ask for this information to carry out the Internal Revenue laws of the United States. We may give the information to the Dept. of Justice for civil or criminal litigation and to the States and the District of Columbia for use in administering their tax laws.

Purpose.—The law requires that you complete Form W-4 so that your employer can withhold Federal income tax from your pay. Your Form W-4 remains in effect until you change it or, if you entered "EXEMPT" on line 6b above, until February 15 of next year. By correctly completing this form, you can fit the amount of tax withheld from your wages to your tax liability.

If you got a large refund last year, you may be having too much tax withheld. If so, you may want to increase the number of your allowances on line 4 by claiming any other allowances you are entitled to. The kinds of allowances, and how to figure them, are explained in detail below.

If you owed a large amount of tax last year, you may not be having enough tax withheld. If so, you can claim fewer allowances on line 4, or ask that an additional amount be withheld on line 5, or both.

If the number of withholding allowances you are entitled to claim decreases to less than you are now claiming, you must file a new W-4 with your employer within 10 days.

The instructions below explain how to fill in Form W-4. **Publication 505**, Tax Withholding and Estimated Tax, contains more information on withholding. You can get it from most IRS offices.

For more information about who qualifies as your dependent, what deductions you can take, and what tax credits you qualify for, see the Form 1040 instructions.

You may be fined \$500 if you file, with no reasonable basis, a W-4 that results in less tax being withheld than is properly allowable. In addition, criminal penalties apply for willfully supplying false or fraudulent information or failing to supply information requiring an increase in withholding.

Line-By-Line Instructions

Fill in the identifying information in Boxes 1 and 2. If you are married and want tax withheld at the regular rate for married persons, check "Married" in Box 3. If you are married and want tax withheld at the higher Single rate (because both you and your spouse work, for example), check "Married, but withhold at higher Single rate" in Box 3.

Line 4 of Form W-4

Total number of allowances.—Use the worksheet on page 2 to figure your allowances. Add the number of allowances for each category explained below. Enter the total on line 4.

If you are single and hold more than one job, you may not claim the same allowances with more than one employer at the same time. If you are married and both you and your spouse are employed, you may not both claim the same allowances with both of your employers at the same time. To have the highest amount of tax withheld, claim "O" allowances on line 4.

A. Personal allowances.—You can claim the following personal allowances:

1 for yourself, 1 if you are 65 or older, and 1 if you are blind.

If you are married and your spouse either does not work or is not claiming his or her allowances on a separate W-4, you may also claim the following allowances: 1 for your spouse, 1 if your spouse is 65 or older, and 1 if your spouse is blind.

B. Special withholding allowance.—Claim the special withholding allowance if you are single and have one job or you are married, have one job, and your spouse does not work. You may still claim this allowance so long as the total wages earned on other jobs by you or your spouse (or both) is 10% or less of the combined total wages. Use this special withholding allowance only to figure your withholding. Do not claim it when you file your return.

C. Allowances for dependents.—You may claim one allowance for each dependent you will be able to claim on your Federal income tax return.

Note: If you are not claiming any deductions or credits, skip D and E, add lines A, B, and C, enter the total on line F and carry the total over to line 4 of W-4.

Before you claim allowances under D and E, total your non-wage taxable income (interest, dividends, self-employment income, etc.) and subtract this amount from estimated deductions you would otherwise enter in D1. If your non-wage income is greater than the amount of estimated deductions, you cannot claim any allowances under D. Moreover, you should take one-third of the excess (non-wage income over estimated deductions) and add this to the appropriate "A" value in Table 1 if determining allowances under E.

D. Allowances for estimated deductions.—If you expect to itemize deductions, you can claim additional withholding allowances. See Schedule A (Form 1040) for deductions you can itemize.

You can also count deductible amounts you pay for (1) alimony (2) qualified retirement contributions including IRA and Keogh (H.R. 10) plans (3) moving expenses (4) employee business expenses (Part I of Form 2106) (5) the deduction for a married couple when both work (6) net losses shown on Schedules C, D, E, and F (Form 1040), the last line of Part II of Form 4797, and the net operating loss carryover (7) penalty on early withdrawal of savings and (8) charitable contributions for nonitemizers. **Note:** Check with your employer to see if any tax is being withheld on moving expenses or IRA contributions. Do not include these amounts if tax is not being withheld; otherwise, you may be underwithheld. For details, see **Publication 505**.

The deduction allowed a married couple when both work is 10% of the lesser of \$30,000 or the qualified earned income of the spouse with the lower income.

Once you have determined these deductions, enter the total on line D1 of the worksheet on page 2 and figure the number of withholding allowances for them.

E. Allowances for tax credits.—If you expect to take credits like those shown on lines 41 through 48 on the 1983 Form 1040 (child care, residential energy, etc.), use the table on the top of page 2 to figure the number of additional allowances you can claim. You may estimate these credits. Include the earned income credit if you are not receiving advance payment of it, and any excess social security tax withheld. Also, if you expect to income average, include the amount of the reduction in tax because of averaging when using the table.

Line 5 of Form W-4

Additional amount, if any, you want deducted from each pay.—If you are not having enough tax withheld from your pay, you may ask your employer to withhold more by filling in an additional amount on line 5. Often, married couples, both of whom are working, and persons with two or more jobs need to have additional tax withheld. You may also need to have additional tax withheld because you have income other than wages, such as interest and dividends, capital gains, rents, alimony received, taxable social security benefits, etc. Estimate the amount you will be underwithheld and divide that amount by

the number of pay periods in the year. Enter the additional amount you want withheld each pay period on line 5.

Line 6 of Form W-4

Exemption from withholding.—You can claim exemption from withholding only if last year you did not owe any Federal income tax and had a right to a refund of all income tax withheld, and this year you do not expect to owe any Federal income tax and expect to have a right to a refund of all income tax withheld. If you qualify, check Boxes 6a and b, write the year exempt status is effective and "EXEMPT" on line 6b, and answer Yes or No to the question on line 6c.

If you want to claim exemption from withholding next year, you must file a new W-4 with your employer on or before February 15 of next year. If you are not having Federal income tax withheld this year, but expect to have a tax liability next year, the law requires you to give your employer a new W-4 by December 1 of this year. If you are covered by social security, your employer must withhold social security tax.

Your employer must send to IRS any W-4 claiming more than 14 withholding allowances or claiming exemption from withholding if the wages are expected to usually exceed \$200 a week. The employer is to complete Boxes 7, 8, and 9 only on copies of the W-4 sent to IRS.

Table 1—For Figuring Your Withholding Allowances For Estimated Tax Credits and Income Averaging (Line E)

Estimated Salaries and Wages from All sources	Single Employees		Head of Household Employees		Married Employees (When Spouse not Employed)		Married Employees (When Both Spouses are Employed)	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
Under \$15,000	\$ 90	\$150	\$ 30	\$150	\$ 50	\$120	\$ 0	\$120
15,000-25,000	120	250	0	250	70	170	310	170
25,001-35,000	190	300	0	300	130	250	800	220
35,001-45,000	250	370	0	370	170	320	1,500	250
45,001-55,000	690	370	0	370	230	340	2,210	330
55,001-65,000	1,470	370	220	370	310	370	3,020	330
Over 65,000	2,460	370	920	370	680	370	3,400	370

Worksheet to Figure Your Withholding Allowances to be Entered on Line 4 of Form W-4

A Personal allowances				A																				
B Special withholding allowance (not to exceed 1 allowance—see instructions on page 1)				B																				
C Allowances for dependents				C																				
If you are not claiming any deductions or credits, skip lines D and E.																								
D Allowances for estimated deductions:																								
1 Enter the total amount of your estimated itemized deductions, alimony payments, qualified retirement contributions including IRA and Keogh (H.R. 10) plans, deduction for a married couple when both work, business losses including net operating loss carryovers, moving expenses, employee business expenses, penalty on early withdrawal of savings, and charitable contributions for nonitemizers for the year		1	\$																					
2 If you do not plan to itemize deductions, enter \$500 on line D2. If you plan to itemize, find your total estimated salaries and wages amount in the left column of the table below. (Include salaries and wages of both spouses.) Read across to the right and find the amount from the column that applies to you. Enter that amount on line D2.		2	\$																					
<table border="0"> <tr> <th>Estimated salaries and wages from all sources:</th> <th>Single and Head of Household Employees (only one job)</th> <th>Married Employees (one spouse working and one job only)</th> <th>Employees with more than one job or Married Employees with both spouses working ¹</th> </tr> <tr> <td>Under \$15,000</td> <td>\$2,800</td> <td>\$3,900</td> <td>40%</td> </tr> <tr> <td>15,000-35,000</td> <td>2,800</td> <td>3,900</td> <td>23%</td> </tr> <tr> <td>35,001-50,000</td> <td>8%</td> <td>3,900</td> <td>20%</td> </tr> <tr> <td>Over \$50,000</td> <td>10%</td> <td>7%</td> <td>18%</td> </tr> </table>	Estimated salaries and wages from all sources:	Single and Head of Household Employees (only one job)	Married Employees (one spouse working and one job only)	Employees with more than one job or Married Employees with both spouses working ¹	Under \$15,000	\$2,800	\$3,900	40%	15,000-35,000	2,800	3,900	23%	35,001-50,000	8%	3,900	20%	Over \$50,000	10%	7%	18%				
Estimated salaries and wages from all sources:	Single and Head of Household Employees (only one job)	Married Employees (one spouse working and one job only)	Employees with more than one job or Married Employees with both spouses working ¹																					
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35,001-50,000	8%	3,900	20%																					
Over \$50,000	10%	7%	18%																					
3 Subtract line D2 from line D1 (But not less than zero)		3	\$																					
4 Divide the amount on line D3 by \$1,000 (increase any fraction to the next whole number). Enter here				D																				
E Allowances for tax credits and income averaging: use Table 1 above for figuring withholding allowances																								
1 Enter tax credits, excess social security tax withheld, and tax reduction from income averaging			\$																					
2 Enter the column (A) amount from Table 1 for your salary range and filing status (single, etc.). However, enter 0 if you claim 1 or more allowances on line D4			\$																					
3 Subtract line 2 from line 1 (If zero or less, do not complete lines 4 and 5)			\$																					
4 Find the column (B) amount from Table 1 for your salary range and filing status			\$																					
5 Divide line 3 by line 4. Increase any fraction to the next whole number. This is the maximum number of withholding allowances for tax credits and income averaging. Enter here				E																				
Example: A taxpayer who expects to file a Federal income tax return as a single person estimates annual wages of \$12,000 and tax credits of \$650. The \$12,000 falls in the wage bracket of under \$15,000. The value in column (A) is 90. Subtracting this from the estimated credits of 650 leaves 560. The value in column (B) is 150. Dividing 560 by 150 gives 3.7. Since any fraction is increased to the next whole number, show 4 on line E.																								
F Total (add lines A through E). Enter total here and on line 4 of Form W-4				F																				

¹ If you earn 10% or less of your total wages from other jobs or one spouse earns 10% or less of the couple's combined total wages, you can use the "Single and Head of Household Employees (only one job)" or "Married Employees (one spouse working and one job only)" table, whichever is appropriate.